

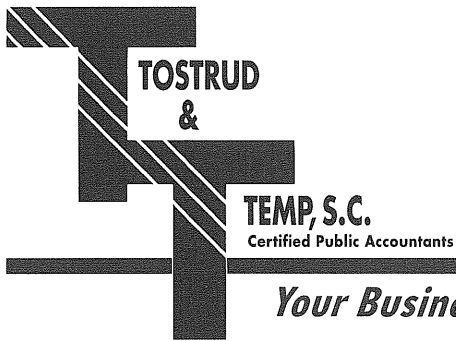
**FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITOR'S REPORT**

**EAST CENTRAL  
INTERGOVERNMENTAL ASSOCIATION  
DUBUQUE, IOWA**

**JUNE 30, 2010**

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609 S. 4th Street, Suite B  
La Crosse, WI 54601  
Phone: 608-784-8060  
Fax: 608-784-8167

## INDEPENDENT AUDITOR'S REPORT

Council Members  
East Central Intergovernmental  
Association  
Dubuque, Iowa 52002

We have audited the accompanying basic financial statements of the East Central Intergovernmental Association as of June 30, 2010, and for the year then ended, as listed in the table of contents. These basic financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, Chapter 11 of the Code of Iowa, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the East Central Intergovernmental Association as of June 30, 2010, and the respective changes in financial position, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and budgetary comparison information on pages 5 through 5.10 and pages 30 through 31 and page 38 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit this information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the East Central Intergovernmental Association's basic financial statements. The schedule of expenditures of federal awards, which is required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations, as well as the schedule of expenditures of state financial assistance and other supplemental information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements of the East Central Intergovernmental Association. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

In accordance with Government Auditing Standards, we have also issued a report dated November 11, 2010 on our consideration of East Central Intergovernmental Association's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

*Testred + Temp, S. C.*

November 11, 2010

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**EAST CENTRAL INTERGOVERNMENTAL ASSOCIATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2010**

The East Central Intergovernmental Association (ECIA) is a membership supported organization of local governmental bodies in Cedar, Clinton, Delaware, Dubuque, and Jackson Counties in eastern Iowa. The purpose of ECIA is to provide management and technical assistance to local government staff and elected officials.

ECIA exists because of a need for local governments facing similar problems to cooperate in finding solutions. This cooperative effort, through ECIA membership, provides greater resources to local governments than they would be able to afford individually. The sharing of resources and discussion of common concerns vastly improves the quality and consistency of solutions to local and regional problems. Costs are held at a level that allows all local governments in the region to participate. ECIA strives to provide "A Regional Response to Local Needs."

As management of ECIA, we offer the readers of ECIA's financial statements this narrative overview and analysis of the financial activities of ECIA for the year ended June 30, 2010. The financial statements of ECIA consist of the operations of ECIA (a planning agency) and Workforce Investment Act (WIA) (job training and retraining programs administered by ECIA). The financial statements do not include ECIA Business Growth, Inc., the Eastern Iowa Regional Utility Service Systems (EIRUSS), the Eastern Iowa Regional Housing Authority (EIRHA) or the Delaware, Dubuque and Jackson County Regional Transit Authority (RTA), which have been formed as separate and distinct entities.

We encourage readers to consider the information presented here in conjunction with ECIA's financial statements, which follow this discussion and analysis. This report complies with the Governmental Accounting Standards Board (GASB) Statement 34 reporting model.

Fiscal Year 2010 was another year impacted by the weather and the economy. ECIA staff continued to be engaged with our communities, our partner Councils of Government and the State in administering both State and Federal flood recovery programs related to the floods of 2008. As the 2008 flood recovery programs began winding down, the region was again impacted by flooding in spring, 2010, resulting in another round of flood recovery funding.

Program year 2009/Fiscal year 2010 was a year of tremendous change for Region 1 and the Employment and Training Department. While the year included many challenges in terms of the economy and employment opportunities it also included some very exciting developments in the areas of workforce system development, grant opportunities and "green" initiatives. Although the area unemployment percentage remained at a level not seen for years, the local Workforce Investment Act service providers, along with our partners in the workforce system, experienced many successes in helping job seekers prepare for and obtain employment.

Using a new Service Integration Model, resulted in a large increase in the number of WIA participants and, consequently, in the number of job seekers who receive services through the WIA adult and dislocated worker programs. The number of adults and dislocated workers enrolled in WIA rose by 1,577 between PY2008 (475) and PY2009 (2,052).

**EAST CENTRAL INTERGOVERNMENTAL ASSOCIATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2010**

EIRHA continued to focus on providing homeownership opportunities in the region, maintaining 100% lease up in their rental assistance programs and serving 1,056 low to moderate income households in the region.

The RTA was successful in securing a grant for a Mobility Coordinator. The Coordinator is the liaison between the social service organizations, medical providers and the RTA and assists in determining and then coordinating their transit needs.

Prosperity Eastern Iowa launched the Petal Project, a green business certification program, with ten businesses participating for 2010. The Petal Project assists businesses in implementing green business practices and provides a framework to reduce their energy, water, and natural resources to benefit the environment and their bottom line.

ECIA Business Growth partnered with ECIA, Northeast Iowa Community College, Four Mounds Foundation and Region 1 Employment and training and successfully secured a \$2.1 million Energy Training Partnership Grant. This grant will enable the partners to train 392 individuals in the Green Industry Sectors: Energy Efficient Building, Energy Efficient Assessment and Renewable Electric Power.

EIRUSS activities included design and administrative work on the Leisure Lake wastewater system. The project will serve 340 households in rural Jackson County. Other projects in progress include: A \$1 million wastewater system to serve the Fairview community in rural Jones County, ultimately serving approximately 60 users; Elvira (19 users) in rural Clinton County, Petersburg (68 users) and Lake Delhi (900 users) in rural Delaware County.

As we look to fiscal 2011, the staff at ECIA continues to remain focused on providing excellent services to our members in the region. ECIA was the successful bidder on a contract for managing the Keyline Transit system for the City of Dubuque. Management begins July 1, 2010. This is an opportunity for the RTA and Keyline to find partnership opportunities to enhance services to the general public.

**FINANCIAL HIGHLIGHTS**

- The assets of ECIA exceeded its liabilities at June 30, 2010 by \$280,850 (net assets). Of this amount, \$280,850 (unrestricted net assets) may be used to meet ECIA's ongoing obligations to member communities and creditors.
- ECIA's net assets increased by 39.4%, or \$79,330, from June 30, 2009 to June 30, 2010
- As of the close of the fiscal year, ECIA's fund balance was \$374,065, an increase of \$99,415 in comparison with the prior year.
- Total revenues decreased 7.9%, or approximately \$690,000, from fiscal 2009 to fiscal 2010. This was primarily due to a decrease in flood recovery funding provided by the State of Iowa as the Jumpstart Housing programs were winding down. Total expenditures decreased 11.4%, or approximately \$1.0 million from fiscal 2009 to fiscal 2010. This was primarily due to the decrease in pass thru of state flood recovery funds.

**EAST CENTRAL INTERGOVERNMENTAL ASSOCIATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2010**

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to ECIA's basic financial statements. The financial statements included in this report are designed to provide readers with a broad overview of ECIA's finances, in a manner similar to a private sector business. ECIA utilizes the accrual basis of accounting, which recognizes revenues and expenses when earned, regardless of when cash is received or paid. The following statements are included in this report:

- Statement of Net Assets – This statement presents information on all of ECIA's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of ECIA is improving or deteriorating.
- Statement of Activities – This statement is prepared on the accrual basis of accounting and presents functional expenses offset by revenue sources that are directly related.
- Balance Sheet Governmental Funds – This statement is prepared on the current financial resources measurement focus that generally only includes current assets and current liabilities.
- A reconciliation between the Balance Sheet-Governmental Funds and the Statement of Net Assets.
- Statement of Revenues, Expenditures and Changes in Fund Balance – This statement is prepared on the modified accrual basis of accounting and reports ECIA's operating revenue by major source, along with operating expenses.
- A reconciliation between the full accrual basis accounting statement (Statement of Activity) and the modified accrual basis statement (Statement of Revenues, Expenses and Changes in Fund Balance).
- Notes to financial statements – This section provides additional information that is essential to a full understanding of the data provided in the financial statements.
- Supplemental Information – In addition to the basic financial statements and accompanying notes, this section of the report presents certain required supplementary information, providing detailed information by program and by project, as well as a schedule of Federal Financial Assistance.



**EAST CENTRAL INTERGOVERNMENTAL ASSOCIATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2010**

**ANALYSIS OF NET ASSETS**

As previously noted, net assets may serve over time as a useful indicator of ECIA's financial position. ECIA's net assets increased by \$79,330 from a year ago. The analysis that follows illustrates the changes in the components that make up net assets.

<b>CONDENSED STATEMENT OF NET ASSETS</b>				
	<b>2010</b>	<b>2009</b>	<b>NET CHANGE</b>	<b>PERCENT CHANGE</b>
Cash and investments	160,459	397,363	-236,904	-59.6
Other Current Assets	1,144,902	602,127	542,775	90.1
Capital Assets	1,316,105	1,314,318	1,787	0.1
Total Assets	2,621,466	2,313,808	307,658	13.3
Current Liabilities	985,792	766,535	219,257	28.6
Long-Term Liabilities	1,354,824	1,345,753	9,071	0.7
Total Liabilities	2,340,616	2,112,288	228,328	10.8
Unrestricted	280,850	201,520	79,330	39.4
Total Net Assets	280,850	201,520	79,330	39.4

Total assets increased by 13.3%, from \$2,313,808 in FY 2009 to \$2,621,466 in FY 2010. This increase was primarily attributable to an increase in grants receivable related to the Jumpstart Federal flood recovery program.

Cash decreased by \$236,904, primarily due to the expenditure of flood recovery grant funds that had been advanced by the State of Iowa in FY09. Accounts & Grants Receivable increased from \$572,641 in FY 2009 to \$1,109,351 in FY 2010 primarily due to the Jumpstart Federal and New Production flood recovery programs.

Current liabilities increased from \$766,535 in FY2009 to \$985,792 in FY2010. This increase is primarily due to the line of credit secured by ECIA to enable timely payment of Jumpstart Federal program contractor expenses while awaiting federal reimbursement. The long-term liability line item reflects the loans for the purchase of a 2008 Dodge Avenger in FY09, a 2010 Honda Insight and 2010 Nissan Rogue in FY10, and the Note Payable on the ECIA facility. Of the total outstanding balance of the loans, \$54,496 is classified as current and \$1,325,048 as long-term. Long-term liabilities also include a liability of \$29,776 for Other Post Employment Benefits. ECIA is required to implement GASB Statement No. 45 in FY2010. See Note J for further information.

**ANALYSIS OF REVENUES AND EXPENDITURES**

In FY 2010 and FY 2009, total revenues were \$8,064,207 and \$8,755,018 respectively, a decrease of approximately \$690,000 or 7.9%. Total Expenditures for the same period decreased \$1 million or 11.4%. A comparison of income and expenditures is outlined in the following table.

**EAST CENTRAL INTERGOVERNMENTAL ASSOCIATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2010**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE**

	2010	2009	NET CHANGE	PERCENT CHANGE
<b>REVENUES</b>				
Federal	3,754,489	1,658,622	2,095,867	126.4
State of Iowa	868,220	4,085,485	(3,217,265)	(78.7)
State of Wisconsin	788	788	0	0.0
Membership Fees	94,166	90,242	3,924	4.3
Fees and assessments	360,971	237,120	123,851	52.2
EIRHA	1,220,777	1,203,798	16,979	1.4
CDBG Admin	362,403	302,792	59,611	19.7
ECIA Business Growth	250,133	242,581	7,552	3.1
Workforce Investment Act	584,042	460,868	123,174	26.7
EIRUSS	57,318	57,988	(670)	(1.2)
RTA	412,422	367,775	44,647	12.1
Interest	2,887	6,131	(3,244)	(52.9)
Miscellaneous	95,591	40,828	54,763	134.1
Total Revenues	8,064,207	8,755,018	(690,811)	(7.9)
<b>EXPENDITURES</b>				
Salaries, wages and benefits	3,433,561	2,994,004	439,557	14.7
Office supplies & operating materials	67,871	44,330	23,541	53.1
Conference and training	36,932	51,804	(14,872)	(28.7)
Business travel	163,020	115,770	47,250	40.8
Printing	15,352	14,498	854	5.9
Equip rental and maint	10,398	17,120	(6,722)	(39.3)
Office maintenance	16,707	2,668	14,039	526.2
Insurance and bonding	21,440	23,738	(2,298)	(9.7)
Dues and subscriptions	16,146	15,130	1,016	6.7
Telephone	31,929	29,862	2,067	6.9
Postage	41,824	42,469	(645)	(1.5)
Rent	30,339	36,661	(6,322)	(17.2)
Property Taxes	0	27,064	(27,064)	(100.0)
Utilities	20,816	24,107	(3,291)	(13.7)
Advertising	5,900	4,639	1,261	27.2
Professional fees	75,620	70,537	5,083	7.2
Marketing	51,300	96,837	(45,537)	(47.0)
Equipment purchases	80,641	351,280	(270,639)	(77.0)
Long-term debt principal	49,611	35,904	13,709	38.2
Interest Expense	75,958	66,176	9,782	14.8
Miscellaneous	3,616	9,339	(5,723)	(61.3)
Pass through grant expense	2,170,458	3,955,575	(1,785,117)	(45.1)
WIA program costs	1,591,587	1,013,052	578,535	57.1
Total Expenditures	8,011,026	9,042,564	(1,031,538)	(11.4)
Excess of Revenues over Expenditures	53,181	(287,546)	340,727	(118.5)
Proceeds From Long-term Borrowing	41,707	308,220	(266,513)	(86.5)
Proceeds From Sale of Fixed Assets	4,527	0	4,527	

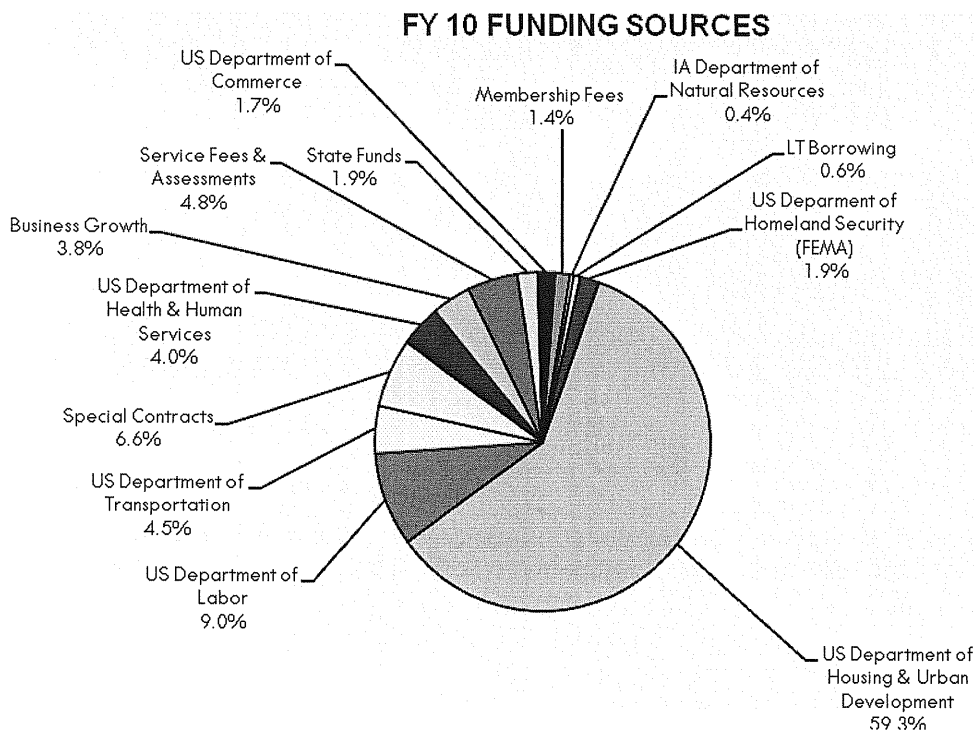
# EAST CENTRAL INTERGOVERNMENTAL ASSOCIATION MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2010

## STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE-CONTINUED

	2010	2009	NET CHANGE	PERCENT CHANGE
Excess of Revenues and Other Financing Sources over Expend	99,415	20,674	78,741	380.9
Beginning Fund Balance	274,650	253,976	20,674	
Ending Fund Balance	374,065	274,650	99,415	36.2

Federal funding increased by \$2,095,867 primarily due to the Jumpstart Federal, New Production and FEMA Buyout programs for flood recovery. Funding received from the State of Iowa decreased by \$3.2 million due to the winding down of the Jumpstart Housing and Small Business flood recovery programs. Fees and assessments increased approximately \$124,000 due to an increase in the grant writing activities during FY10 as well as a contract with the Iowa Finance Authority to conduct Tax Credit Program compliance reviews in the region. CDBG administration income increased \$60,000 due to an increase in the number of hazard mitigation grants administered in FY10. Income from the WIA program increased by \$123,000 due to ARRA funding and the awarding of a State Emergency grant to assist displaced workers at Thermo Fisher Scientific. RTA admin income increased \$45,000 primarily due to the addition of the Mobility Coordinator position. Interest income decreased by \$3,200 due to carrying a lower cash balance than in FY09 resulting from the expenditure of state flood recovery funds that had been advanced in FY09. Miscellaneous income includes \$55,965 in agency vehicle usage fees billed to the programs, \$20,999 in grant funds received to purchase an XRF Analyzer, and \$13,040 in previously accrued property taxes for FY08 which were not required to be paid.

Revenue by Funding Source for Fiscal 2010 is summarized as follows:



**EAST CENTRAL INTERGOVERNMENTAL ASSOCIATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2010**

Salaries, wages and benefits increased \$439,557 due to the addition of a Mobility Coordinator, a Transportation Planner, a Project Manager and three additional staff in the Employment and Training program as well as due to a 10% increase in health insurance premiums. Office supplies increased \$23,541 due to the increase in ECIA's capitalization limit from \$1,000 to \$2,500. Conference and training expense decreased approximately \$15,000 due to attendance at fewer conferences in FY10. Business travel increased approximately \$47,000 as ECIA began billing the programs at the IRS approved federal mileage reimbursement rate for use of the agency vehicles. Office maintenance increased \$14,000 due to the maintenance required by owning our own facility. Rent decreased by \$6,000 as ECIA paid one month of rent in FY09 prior to moving to our new facility. Property taxes decreased by \$27,000 as ECIA is exempt from property tax on our current facility. Utility costs decreased by \$3,300 primarily due to WIA utilities being paid through the resource sharing agreement with Upper Explorerland in FY10 versus being paid directly in FY09. Advertising increased \$1,200 due to publication requirements of the flood recovery programs. Professional fees increased \$5,000 primarily due to the addition of a WIA/IWD Site Coordinator. This individual is employed by IWD and ECIA contributes 50% of the cost of this position. Marketing decreased by \$45,000 due to a decrease in PEI grant funding in FY10. Equipment purchases decreased \$270,000 as FY09 included the final construction cost of the building. Long term debt principal and interest expense increased due to a loan for the purchase of an additional agency vehicle. Pass through grant expenses decreased approximately \$1.8 million due to the winding down of the Jumpstart Business and Housing programs. WIA program costs increased approximately \$580,000 as a result of ARRA funding and increased Rapid Response grant funding due to increased layoffs in the region.

## **OVERVIEW OF BUDGETS**

ECIA annually adopts a budget on a basis consistent with generally accepted accounting principles. Budgets are adopted for the general fund and appropriations lapse at fiscal year end. Salaries and operating expenses are allocated in accordance with a pre-approved "Cost Allocation Plan."

The ECIA Council approved one budget amendment in May 2010. Differences between the original budget and the final amended budget can be summarized as follows:

- The original revenue budget of \$6,733,288 was increased to \$8,226,352, an increase of \$1.5 million. This was primarily due to an increase in WIA program funding and flood recovery program grants.
- The original expenditure budget of \$6,692,402 was increased to \$8,205,336, an increase of \$1.5 million. This increase was also primarily due to the increase in WIA program funding and flood recovery program grants.

**EAST CENTRAL INTERGOVERNMENTAL ASSOCIATION  
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- The Salary expense budget was increased by \$173,000 due to the hiring of additional staff in the Transit (Mobility Coordinator), Transportation (Planner), Community Development department (Project Manager) to assist with hazard mitigation and flood recovery grant efforts and Employment and Training to assist with the administration of ARRA and Rapid Response grant funding. The office supplies budget was increased due to the change in the capitalization policy. The budget for business travel was increased \$26,000 due to the need for additional travel for flood recovery efforts. Insurance was decreased by \$14,000 due to participation in ICAP. The utility budget was decreased \$5,000 as actual WIA utilities were paid through Upper Explorerland. The Professional fees budget was increased \$12,000 due to the addition of the WIA/IWD Site Coordinator. The marketing budget was increased by \$24,000 due to the additional PEI marketing efforts. The budget for Equipment purchases was increased by \$40,000, partially for the purchase of an additional agency vehicle, increasing the fleet size to five. WIA and pass-through grant expense was increased \$1.3 million due to the flood recovery funding and added WIA grants.

## RESULTS OF OPERATIONS

ECIA's management was pleased with the operating results for the fiscal year ending June 30, 2010. The amended budget anticipated excess revenue over expenditures of \$21,016. Actual results of operations reflected excess revenues of \$99,415.

Operating revenues were approximately \$112,000 or 1.4% lower than budgeted. Operating expenditures were \$194,000 or 2.4% less than budgeted. This was primarily due to the timing of flood recovery funding. The following table illustrates these points:

### COMPARISON OF BUDGET VS. ACTUAL

	BUDGET	ACTUAL	VARIANCE	PERCENT
<b>REVENUES</b>				
Federal	4,973,204	3,754,489	(1,218,715)	(32.5)
State of Iowa	194,391	868,220	673,829	77.6
State of Wisconsin	787	788	1	0.1
Membership Fees	94,166	94,166	0	0.0
Fees and assessments	135,277	360,971	225,694	62.5
EIRHA	1,256,550	1,220,777	(35,773)	(2.9)
CDBG/EDSA Admin	351,134	362,403	11,269	3.1
ECIA Business Growth	250,582	250,133	(449)	(0.2)
Workforce Investment Act	373,857	584,042	210,185	36.0
EIRUSS	52,446	57,318	4,872	8.5
Regional Transit Authority	416,305	412,422	(3,883)	(0.9)
Interest	3,130	2,887	(243)	(8.4)
Miscellaneous	74,160	95,591	21,431	22.4
Total Revenues	8,175,989	8,064,207	(111,782)	(1.4)

**EAST CENTRAL INTERGOVERNMENTAL ASSOCIATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2010**

**COMPARISON OF BUDGET VS. ACTUAL - CONTINUED**

	BUDGET	ACTUAL	VARIANCE	PERCENT
<b>EXPENDITURES</b>				
Salaries, wages and benefits	3,445,000	3,433,561	(11,439)	(0.3)
Office supplies & operating materials	63,600	67,871	4,271	6.3
Conference and training	36,000	36,932	932	2.5
Business travel	142,350	163,020	20,670	12.7
Printing	13,100	15,352	2,252	14.7
Equip rental and maint	11,000	10,398	(602)	(5.8)
Insurance and bonding	22,000	21,440	(560)	(2.6)
Dues and subscriptions	17,000	16,146	(854)	(5.3)
Telephone	32,000	31,929	(71)	(0.2)
Postage	43,000	41,824	(1,176)	(2.8)
Rent	31,000	30,339	(661)	(2.2)
Utilities & Maintenance	32,000	37,523	5,523	14.7
Advertising	7,000	5,900	(1,100)	(18.6)
Professional fees	74,000	75,620	1,620	2.1
Marketing	59,000	51,300	(7,700)	(15.0)
Equipment purchases	77,286	80,641	3,355	4.2
Long-term debt principal	49,000	49,611	611	1.2
Interest expense	76,000	75,958	(42)	(0.1)
Miscellaneous	5,000	3,616	(1,384)	(38.3)
Pass-through grant expense	2,500,000	2,170,458	(329,542)	(15.2)
WIA Program Costs	1,470,000	1,591,587	121,587	7.6
<b>Total Expenditures</b>	<b>8,205,336</b>	<b>8,011,026</b>	<b>(194,310)</b>	<b>(2.4)</b>
Excess of Revenues over (under) Expenditures	(29,347)	53,181	82,528	155.2
<b>Other Income</b>				
Proceeds from LT Borrowing	45,836	41,707	(4,129)	(9.9)
Proceeds from Sale of Fixed Assets	4,527	4,527	0	0.0
<b>Excess of Revenues and Other Income Over (Under) Expenditures</b>	<b>16,489</b>	<b>99,415</b>	<b>78,399</b>	<b>78.9</b>

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

As of June 30, 2010, ECIA had \$1,316,105 invested in capital assets (net of depreciation), including a building, office furniture and equipment and agency vehicles. Total outstanding debt was \$1,643,568, which represents the outstanding balance of the Economic Development Revenue Note used to fund the building, the three loans used to purchase agency vehicles and the line of credit used to temporarily fund Jumpstart Federal flood recovery projects while waiting for draw requests to be processed by the state. Outstanding debt exceeds capital assets as the purchase of the land was funded by the Economic Development Revenue Note and subsequently \$169,000 in land was donated to the RTA as match for the RIIF grant which funded the portion of the building owned by the RTA.

**EAST CENTRAL INTERGOVERNMENTAL ASSOCIATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2010**

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

ECIA's management and Council considered many factors when setting the fiscal year 2011 budget and the fees that will be charged for services, endeavoring to keep costs low for our members, while covering staff and overhead costs. Membership fees will increase from \$.48 to \$.50 per capita in Fiscal 2011. The hourly billing rates for all staff will increase 3% or \$2.00 per hour in order to keep pace with cost of living increases. Increases in employee health insurance costs as well as decreases in State and Federal funding levels will continue to be a concern in the year ahead.

As we progress into 2010, we will continue to work collaboratively, developing new and building on already successful partnerships, while the staff at ECIA remains committed to building strong and healthy communities and making our region a great place to live and work.

**FINANCIAL CONTACT**

These financial statements are designed to provide our member communities, funding agencies and creditors with a general overview of ECIA's finances and to show ECIA's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to ECIA's Executive Director or Director of Finance and Human Resources, 7600 Commerce Park, Dubuque, IA 52002.

**BASIC FINANCIAL STATEMENTS**



East Central Intergovernmental Association  
Dubuque, Iowa  
**STATEMENT OF NET ASSETS**  
June 30, 2010

	Governmental Activities
<b>ASSETS</b>	
<b>Current assets</b>	
Cash and investments	\$ 160,459
Accounts receivable	425,817
Grants receivable	683,534
Prepaid fees and expenses	35,551
Total current assets	<u>1,305,361</u>
<b>Noncurrent assets</b>	
Property and Equipment	
Land improvements	11,121
Building	1,052,275
Equipment and furniture	241,462
	<u>1,304,858</u>
Accumulated depreciation	(203,185)
	<u>1,101,673</u>
Land	214,432
Total noncurrent assets	<u>1,316,105</u>
<b>Total assets</b>	<u><u>\$ 2,621,466</u></u>
<b>LIABILITIES</b>	
<b>Current liabilities</b>	
Excess of outstanding checks over bank balance	\$ 69,288
Current portion of long-term obligations	54,496
Line of credit	264,024
Accounts payable	87,680
Deferred revenue	
Grants	191,292
Prepaid memberships	9,542
Accrued liabilities	
Vacation and holiday pay	230,670
Salaries and wages	4,387
Other	74,413
Total current liabilities	<u>985,792</u>
<b>Noncurrent liabilities</b>	
Noncurrent portion of long-term obligations	<u>1,354,824</u>
Total liabilities	<u>2,340,616</u>
<b>NET ASSETS</b>	
Investment in capital assets, net of related debt	-
Unrestricted	<u>280,850</u>
Total net assets	<u>280,850</u>
<b>Total liabilities and net assets</b>	<u><u>\$ 2,621,466</u></u>

The accompanying notes are an integral part of this statement.

East Central Intergovernmental Association  
Dubuque, Iowa  
**STATEMENT OF ACTIVITIES**  
For the year ended June 30, 2010

Functions/Programs	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<b>Governmental activities</b>					
Salaries, wages and fringe benefits	\$ 3,123,002	\$ 1,441,445	\$ 1,671,749	\$ -	\$ (9,808)
Office supplies	64,638	29,834	34,601	-	(203)
Operating materials	292	135	156	-	(1)
Conferences and training	33,951	15,670	18,174	-	(107)
Business travel	141,880	65,486	75,949	-	(445)
Printing	11,649	5,377	6,236	-	(36)
Equipment rental and maintenance	10,228	4,721	5,475	-	(32)
Office maintenance	16,659	7,689	8,918	-	(52)
Insurance and bonding	18,117	8,362	9,698	-	(57)
Dues and subscriptions	14,472	6,680	7,747	-	(45)
Telephone	31,039	14,326	16,615	-	(98)
Postage	38,423	17,734	20,568	-	(121)
Rent	16,458	7,596	8,810	-	(52)
Utilities	20,631	9,522	11,044	-	(65)
Advertising	5,568	2,570	2,981	-	(17)
Professional fees	53,935	24,894	28,872	-	(169)
Marketing	51,300	23,678	27,461	-	(161)
Depreciation	73,883	34,101	39,550	-	(232)
Interest expense	75,732	34,955	40,539	-	(238)
Pass through grant expense	2,170,458	1,001,792	1,161,851	-	(6,815)
Loss on disposal of fixed assets	383	-	-	-	(383)
Miscellaneous	3,513	1,621	1,881	-	(11)
WIA program costs	1,591,587	-	1,591,587	-	-
Total governmental activities	\$ 7,567,798	\$ 2,758,188	\$ 4,790,462	\$ -	(19,148)
<b>General revenues</b>					
Interest					2,887
Miscellaneous					95,591
Total general revenues					98,478
<b>Change in net assets</b>					
79,330					
Net assets at beginning of year					
201,520					
Net assets at end of year					
\$ 280,850					

The accompanying notes are an integral part of this statement.

East Central Intergovernmental Association  
Dubuque, Iowa  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
June 30, 2010

	<u>ECIA</u>	<u>WIA</u>	
	General	Special	
	Fund	Revenue	Total
	<u>Fund</u>	<u>Fund</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and investments	\$ 56,478	\$ 103,981	\$ 160,459
Accounts receivable	425,817	-	425,817
Grants receivable	581,567	101,967	683,534
Due from other funds	100,192	-	100,192
Prepaid fees and expenses	35,551	-	35,551
	<u>          </u>	<u>          </u>	<u>          </u>
Total assets	\$ <u>1,199,605</u>	\$ <u>205,948</u>	\$ <u>1,405,553</u>
<b>LIABILITIES AND FUND BALANCE</b>			
<b>Liabilities</b>			
Excess of outstanding checks over bank balance	\$ -	\$ 69,288	\$ 69,288
Line of credit	264,024	-	264,024
Accounts payable	56,092	31,588	87,680
Accrued liabilities			
Vacation and holiday pay	230,670	-	230,670
Salaries and wages	-	4,387	4,387
Other	73,920	493	74,413
Deferred revenue			
Deferred grant revenue	191,292	-	191,292
Prepaid memberships	9,542	-	9,542
Due to other funds	-	100,192	100,192
	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities	825,540	205,948	1,031,488
<b>Fund balance</b>			
Designated - building maintenance	20,000	-	20,000
Undesignated	354,065	-	354,065
	<u>          </u>	<u>          </u>	<u>          </u>
Total fund balance	374,065	-	374,065
	<u>          </u>	<u>          </u>	<u>          </u>
	\$ <u>1,199,605</u>	\$ <u>205,948</u>	\$ <u>1,405,553</u>

The accompanying notes are an integral part of this statement.

East Central Intergovernmental Association  
Dubuque, Iowa  
**RECONCILIATION OF THE BALANCE SHEET -**  
**GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS**  
June 30, 2010

Fund balance - governmental funds	\$	374,065
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Total net assets reported for governmental activities in the statement of net assets are different from the amount reported above as total governmental funds fund balances because:

Capital assets used in government activities are not financial resources and therefore not reported in the fund statements. Amounts reported for governmental activities in the statement of net assets are as follows:

Governmental capital assets	\$	1,519,290	
Governmental accumulated depreciation		<u>(203,185)</u>	1,316,105

Long term liabilities, including bonds and notes payable, are not due in the current period and therefore not reported in the fund statements. Long-term liabilities reported in the statement of net assets that are not reported in the funds balance sheet are as follows:

Vested employee benefits	(29,776)	
General obligation debt	<u>(1,379,544)</u>	<u>(1,409,320)</u>

<b>Total net assets - governmental activities</b>	<b>\$</b>	<b><u>280,850</u></b>
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The accompanying notes are an integral part of this statement.

East Central Intergovernmental Association  
Dubuque, Iowa  
**STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS**  
For the year ended June 30, 2010

	ECIA General Fund	WIA Special Revenue Fund	Total
<b>Revenues</b>			
Federal	\$ 2,162,902	\$ 1,591,587	\$ 3,754,489
State of Iowa	868,220	-	868,220
State of Wisconsin	788	-	788
Membership fees	94,166	-	94,166
Fees and assessments	360,971	-	360,971
Economic Development Set-Aside and CDBG grant administration	362,403	-	362,403
Agency service billings			
ECIA Business Growth	250,133	-	250,133
Eastern Iowa Regional Housing Authority (EIHRA)/ Eastern Iowa Regional Housing Corporation (EIRHC)	1,220,777	-	1,220,777
Workforce Investment Act (WIA) grants	584,042	-	584,042
Regional Transit Authority	412,422	-	412,422
EIRUSS	57,318	-	57,318
Interest	2,887	-	2,887
Miscellaneous	95,591	-	95,591
Total revenues	6,472,620	1,591,587	8,064,207
<b>Expenditures</b>			
Salaries, wages and fringe benefits	3,433,561	-	3,433,561
Office supplies	67,287	-	67,287
Operating materials	584	-	584
Conferences and training	36,932	-	36,932
Business travel	163,020	-	163,020
Printing	15,352	-	15,352
Equipment rental and maintenance	10,398	-	10,398
Office maintenance	16,707	-	16,707
Insurance and bonding	21,440	-	21,440
Dues and subscriptions	16,146	-	16,146
Telephone	31,929	-	31,929
Postage	41,824	-	41,824
Rent	30,339	-	30,339
Utilities	20,816	-	20,816
Advertising	5,900	-	5,900
Professional fees	75,620	-	75,620
Marketing	51,300	-	51,300
Equipment purchases	80,641	-	80,641
Long-term debt principal	49,611	-	49,611
Interest expense	75,958	-	75,958
Pass through grant expense	2,170,458	-	2,170,458
Miscellaneous	3,616	-	3,616
Program and administrative costs	-	1,591,587	1,591,587
Total expenditures	6,419,439	1,591,587	8,011,026
Excess of revenues over expenditures	\$ 53,181	\$ -	\$ 53,181

Continued on next page.

The accompanying notes are an integral part of this statement.

East Central Intergovernmental Association  
Dubuque, Iowa  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS - CONTINUED**  
For the year ended June 30, 2010

	<u>ECIA</u>	<u>WIA</u>	
	General	Special Revenue	
	Fund	Fund	<u>Total</u>
<b>Other financing sources</b>			
Proceeds from sale of fixed assets	\$ 4,527	\$ -	\$ 4,527
Proceeds from long-term borrowing	<u>41,707</u>	<u>-</u>	<u>41,707</u>
Total other financing sources	<u>46,234</u>	<u>-</u>	<u>46,234</u>
 Excess of revenues and other financing source over expenditures	 99,415	 -	 99,415
 Fund balance at beginning of year	 <u>274,650</u>	 <u>-</u>	 <u>274,650</u>
 Fund balance at end of year	 <u><u>\$ 374,065</u></u>	 <u><u>\$ -</u></u>	 <u><u>\$ 374,065</u></u>

The accompanying notes are an integral part of this statement.

East Central Intergovernmental Association  
Dubuque, Iowa

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

For the year ended June 30, 2010

Net change in fund balances - total governmental funds	\$ 99,415
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Amounts reported for governmental activities in the statement of activities are different because:

The acquisition of capital assets are reported in the governmental funds as expenditures. However, for governmental activities, these costs are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. Assets disposed of for less than book value (cost - accumulated depreciation) are recorded as losses on disposition of fixed assets.

Capital outlay reported in governmental fund statements	\$ 80,641	
Loss on sale of fixed assets	(383)	
Proceeds from sale of fixed assets	(4,527)	
Depreciation expense reported in the statement of activities	<u>(73,944)</u>	

Amount by which capital outlays are greater than depreciation and land donation in the current period are:

1,787

Vested employee benefits are reported in the governmental fund statements when amounts are paid. The statement of activities reports the value of benefits earned during the year:

Special termination benefits paid in current year	-	
Special termination benefits earned in current year	<u>(29,776)</u>	
Amounts paid are less than amounts earned by		(29,776)

Proceeds from current year debt issues are reported as revenue in the governmental funds, but are reported as long-term debt in the statement of net assets and does not affect the statement of activities.

The amount of proceeds from new debt issues in the current year is:

(41,707)

Repayment of principal on long-term debt is reported in the governmental funds as an expenditure, but is reported as a reduction in long-term debt in the statement of net assets and does not affect the statement of activities.

The amount of long-term debt principal payments in the current year is:

49,611

**Change in net assets - governmental activities**

**\$ 79,330**

The accompanying notes are an integral part of this statement.

East Central Intergovernmental Association  
Dubuque, Iowa  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2010

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**1. Reporting Entity**

East Central Intergovernmental Association is organized pursuant to the provisions of Chapters 473A and 28E of the Code of Iowa as a regional planning organization designed to assist local governments in cooperating with one another. The East Central Intergovernmental Association consists of a council of thirty locally elected and appointed officials from the counties of Cedar, Clinton, Delaware, Dubuque, and Jackson. This council, along with ECIA staff, seeks to coordinate relationships among local municipalities, improve communications with federal and state governments and to provide planning and programming assistance.

For financial reporting purposes, the Association has included all of its funds, organizations, agencies, and boards. The Association has also considered all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the Association are such that exclusion would cause the Association's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the Association to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the Association. The financial statements presented herein do not include E.C.I.A. Business Growth, Inc. or Eastern Iowa Regional Housing Authority, which have been formed as separate and distinct entities.

The financial statements of the Association consist of the following operations: East Central Intergovernmental Association (a planning agency) and Workforce Investment Act (WIA) (job training and retraining programs administered by the East Central Intergovernmental Association).

**2. Basis of Presentation**

**Association-wide Statements** - The statement of net assets and the statement of activities present financial information about the Association's governmental activities. These statements include the financial activities of the overall government in its entirety. Eliminations have been made to minimize the double counting of internal transactions. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. The Association has no business-type activities or fiduciary funds. However, such activities or funds would be included in these financial statements if they existed.



East Central Intergovernmental Association  
Dubuque, Iowa  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
June 30, 2010

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**2. Basis of Presentation - Continued**

**Association-wide Statements - Continued** - The statement of activities presents a comparison between direct/indirect expenses and revenues for each program of the Association's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular program/grant. Indirect expenses are common entity-wide expenses allocated to programs based on direct labor costs. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

**Fund Financial Statements** - The fund statements provide information about the Association's funds. Separate statements for each fund category -- governmental, proprietary, and fiduciary, as applicable -- are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, as applicable with each displayed in a separate column. All remaining governmental and enterprise funds, as applicable are aggregated and reported as non-major funds. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

The Association reports the following major governmental funds:

**General fund** - This is the Association's primary operating fund. All financial activity not required to be accounted for in another fund is accounted for in the general fund.

**Special revenue fund** - This fund accounts for activities associated with providing job training and retraining programs. Revenue sources consist entirely of grants received from the federal government.

**3. Measurement Focus and Basis of Accounting**

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Association considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds.

East Central Intergovernmental Association  
Dubuque, Iowa  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
June 30, 2010

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**3. Measurement Focus and Basis of Accounting - Continued**

Proceeds of general long-term debt and fixed asset acquisitions made under capital leases are reported as other financing sources. Under the terms of grant agreements, the Association may fund certain programs by a combination of specific cost-reimbursement grants, service fees, and general revenues. Therefore, when program expenses are incurred, both restricted and unrestricted net assets may be available to finance the program. It is the Association's policy to first apply cost-reimbursement grant resources to such programs, followed by general revenues.

**4. Budgets**

The Association, although not legally required to do so, annually adopts a budget on a basis consistent with accounting principles generally accepted in the United States of America. A budget is adopted for the general fund and special revenue fund annually and is amended upon board approval. Appropriations lapse at fiscal year end. The adopted budget and budgetary expenditure control is exercised at the expenditure type level (salaries, rent, etc.).

**5. Cash and Investments**

The Association's cash and cash equivalents consist of cash on hand, demand deposits and short-term investments with original maturities of three months or less from date of acquisition. Cash and investment balances for individual funds are pooled unless regulations require separate investment accounts. The Association's investment policy permits investment of available cash balances in time deposits at any bank or credit union in the State of Iowa, U.S. Treasury obligations, U.S. agency issues and certain repurchase agreements. All investments are stated at fair market value.

**6. Receivables**

Any amounts reported on the statement of net assets for due to and due from other funds represent amounts due between different fund types (governmental activities, business-type activities and fiduciary funds). Eliminations have been made for amounts due to and due from within the same fund type.

Accounts receivable are shown at gross amounts. No allowance for uncollectible accounts has been provided since it is believed that such allowance would not be material.

East Central Intergovernmental Association  
Dubuque, Iowa  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
June 30, 2010

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**7. Capital Assets**

Capital assets are reported at actual cost if available. Estimated cost is used when actual cost is not determinable. Donated assets are reported at estimated fair market value on the date received. Repairs and maintenance are recorded as expenditures; replacements and betterments that extend an asset's life by greater than one year are capitalized.

**8. Depreciation**

The Association provides for depreciation of equipment and leasehold improvements using annual rates that are sufficient to amortize the cost of depreciable assets over their estimated useful lives using the straight-line method of depreciation. For the year ended June 30, 2010, depreciation expense was \$73,944.

Estimated useful lives are as follows:

Land and building improvements	5-20 years
Building	40 years
Computer equipment	1-3 years
Furniture and equipment	3-10 years
Vehicles	3 years

**9. Retirement Plans**

Association employees participate in the Iowa Public Employees Retirement System (IPERS). All contributions made by the Association on behalf of its employees are reported as expenditures when earned.

**10. Inter-fund Transactions**

Quasi-external transactions are accounted for as revenues or expenditures, as appropriate. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as revenues in the fund that is reimbursed.

**11. Memorandum Only - Total Columns**

Total columns on the governmental fund financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns does not present financial position in conformity with accounting principles generally accepted in the United States. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in aggregation of this data.

East Central Intergovernmental Association  
Dubuque, Iowa  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
June 30, 2010

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**12. Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**13. Subsequent Events**

The Association has evaluated subsequent events through November 11, 2010, the date which the financial statements were available to be issued.

**NOTE B - EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND ASSOCIATION-WIDE STATEMENTS**

Differences between the governmental funds statement of revenues, expenditures and changes in fund balance and the statement of activities fall into one of three broad categories. The amounts shown in the columns on the following page represent:

- a. Long-term revenue differences that arise because governmental funds report revenues only when they are considered "available," whereas the statement of activities reports revenues when earned. Differences in long-term expenses arise because governmental funds report on a modified accrual basis whereas the accrual basis of accounting is used on the statement of activities.
- b. Capital related differences between recording expenditures for the purchase of fixed assets in the governmental fund statements and capitalizing fixed assets in the Statement of Net Assets and recording depreciation expense on all fixed assets in the Statement of Activities.
- c. Long-term debt transaction differences that occur because proceeds from debt issues and both interest and principal debt payments are recorded as revenues or expenditures, as applicable, in the governmental fund statements, whereas debt proceeds or principal payments are recorded as an increase or decrease in liabilities, as applicable, in the Statement of Net Assets, and interest expense is recorded in the statement of activities as incurred.
- d. Inter-fund transactions are differences that arise because governmental funds include billings for services provided by the Association's general fund to the special revenue fund. These inter-fund transactions are eliminated on the Statement of Activities.

East Central Intergovernmental Association  
Dubuque, Iowa  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
June 30, 2010

**NOTE B - EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS  
AND ASSOCIATION-WIDE STATEMENTS - CONTINUED**

	Total Governmental Funds	Long-term Revenue/ Expenses	Capital Related Items	Long-term Debt Transactions	Inter-fund Transactions	Statement of Activities Total
<b>Revenues and other source</b>						
Federal	\$ 3,754,489	\$ -	\$ -	\$ -	\$ -	\$ 3,754,489
State of Iowa	868,220	-	-	-	-	868,220
State of Wisconsin	788	-	-	-	-	788
Membership fees	94,166	-	-	-	-	94,166
Fees and assessments	360,971	-	-	-	-	360,971
Economic Development Set-Aside and CDBG grant administration	362,403	-	-	-	-	362,403
Agency service billings						
ECIA Business Growth	250,133	-	-	-	-	250,133
Eastern Iowa Regional Housing Authority (EIRHA)/ Eastern Iowa Regional Housing Corporation (EIRHC)	1,220,777	-	-	-	-	1,220,777
Workforce Investment Act	584,042	-	-	-	(417,079)	166,963
Regional Transit Authority	412,422	-	-	-	-	412,422
EIRUSS	57,318	-	-	-	-	57,318
Interest	2,887	-	-	-	-	2,887
Miscellaneous	95,591	-	-	-	-	95,591
Proceeds from sale of fixed assets	4,527	-	(4,527)	-	-	-
Proceeds from long-term borrowing	41,707	-	-	(41,707)	-	-
<b>Total revenues</b>	<b>8,110,441</b>	<b>-</b>	<b>(4,527)</b>	<b>(41,707)</b>	<b>(417,079)</b>	<b>7,647,128</b>
<b>Expenditures</b>						
Salaries, wages and fringe benefits	3,433,561	29,776	-	-	(340,335)	3,123,002
Office supplies	67,287	-	-	-	(2,649)	64,638
Operating materials	584	-	-	-	(292)	292
Conferences and training	36,932	-	-	-	(2,981)	33,951
Business travel	163,020	-	-	-	(21,140)	141,880
Printing	15,352	-	-	-	(3,703)	11,649
Equipment rental and maintenance	10,398	-	-	-	(170)	10,228
Office maintenance	16,707	-	-	-	(48)	16,659
Insurance and bonding	21,440	-	-	-	(3,323)	18,117
Dues and subscriptions	16,146	-	-	-	(1,674)	14,472
Telephone	31,929	-	-	-	(890)	31,039
Postage	41,824	-	-	-	(3,401)	38,423
Rent	30,339	-	-	-	(13,881)	16,458
Utilities	20,816	-	-	-	(185)	20,631
Advertising	5,900	-	-	-	(332)	5,568
Professional fees	75,620	-	-	-	(21,685)	53,935
Marketing	51,300	-	-	-	-	51,300
Depreciation	-	-	73,944	-	(61)	73,883
Equipment purchases	80,641	-	(80,641)	-	-	-
Long-term debt principal	49,611	-	-	(49,611)	-	-
Interest expense	75,958	-	-	-	(226)	75,732
Pass through grant expense	2,170,458	-	-	-	-	2,170,458
Loss on sale of fixed assets	-	-	383	-	-	383
Miscellaneous	3,616	-	-	-	(103)	3,513
WIA program costs	1,591,587	-	-	-	-	1,591,587
<b>Total expenditures</b>	<b>8,011,026</b>	<b>29,776</b>	<b>(6,314)</b>	<b>(49,611)</b>	<b>(417,079)</b>	<b>7,567,798</b>
<b>Net change for the year</b>	<b>\$ 99,415</b>	<b>\$ (29,776)</b>	<b>\$ 1,787</b>	<b>\$ 7,904</b>	<b>\$ -</b>	<b>\$ 79,330</b>

East Central Intergovernmental Association  
Dubuque, Iowa  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
June 30, 2010

**NOTE C - CASH DEPOSITS**

Cash and investments as of June 30, 2010, are classified in the accompanying financial statements as follows:

Statement of Net assets	
Cash and investments	\$ 160,459
Excess of outstanding	
cash over bank balance	(69,288)
Net assets and investments	\$ <u>91,171</u>

Cash and investments as of June 30, 2010 consist of the following:

	Carrying Amount	Bank Balance
Petty cash	\$ 75	\$ -
Investment checking/savings and money market accounts	91,096	154,712
	\$ <u>91,171</u>	\$ <u>154,712</u>

**Investments Authorized by the Association's Investment Policy**

The Association is required to invest its funds in accordance with Iowa Statutes. The Association may consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping, and administration. Investment income is allocated to various funds based on their respective participation in accordance with generally accepted accounting principles. Safety of principal is the foremost objective of the Association's investment policy.

**Disclosures Relating to Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. The Association limits its exposure to interest rate risk by investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools and limiting the average maturity of the portfolio. The Association also structures its investment portfolio so that securities mature to meet cash requirements, avoiding the need to sell securities in the open market prior to maturity.

**Disclosures Relating to Credit Risk**

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Association minimizes its credit risk by limiting investment types and pre-qualifying the financial institutions, broker/ dealers, intermediaries, and advisers with which the Association will do business.

East Central Intergovernmental Association  
Dubuque, Iowa  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
June 30, 2010

**NOTE C - CASH DEPOSITS - CONTINUED**

**Concentration of Credit Risk**

SFAS 105 defines a concentration of credit risk as an exposure to a number of counterparties engaged in similar activities and having similar economic characteristics that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions. The Association diversifies its investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

**Custodial Credit Risk**

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, the government's deposits might not be recovered. The Association's deposits at June 30, 2010 were entirely covered by FDIC insurance, collateralized with securities or letters of credit held by the Association or the Association's agent in the Association's name, or by a multiple financial institution collateral pool in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

The custodial risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Association does not have an investment policy that would limit the exposure to custodial risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools.

**NOTE D - ACCOUNTS AND GRANTS RECEIVABLE**

At June 30, 2010, the Association had the following accounts and grants receivable outstanding:

**Accounts Receivable**

Eastern Iowa Regional Housing Authority	\$ 105,517
Eastern Iowa Regional Partnership, LLP	585
E.I.R.U.S.S	23,949
Local contract charges	146,993
E.C.I.A. Business Growth, Inc.	23,349
E.C.I.A. HMPG	11,174
Regional Transit Authority	71,122
Asbury EIRP, LLLP	1,007
Other	42,121
Total	<u>\$ 425,817</u>

East Central Intergovernmental Association  
Dubuque, Iowa  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
June 30, 2010

**NOTE D - ACCOUNTS AND GRANTS RECEIVABLE - CONTINUED**

**Grants Receivable - ECIA**

Iowa DOT - FHWA planning	\$ 50,465
Iowa DOT - MPO	49,282
Iowa DOT - safe routes to school	64,143
Wisconsin DOT - MPO	7,087
Iowa Workforce Development	27,481
Jumpstart	364,886
PEI RIG	3,141
EDA Grant	15,082
	<u>581,567</u>

**Grants Receivable - WIA**

WIA Grants	<u>101,967</u>
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Total grants receivable	<u><u>\$ 683,534</u></u>
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**NOTE E - PENSION AND RETIREMENT BENEFITS**

The Association contributes to the Iowa Public Employees Retirement System (IPERS) which is a cost sharing multiple employer defined benefit pension plan administered by the State of Iowa. IPERS provides retirement and death benefits that are established by State statute to plan members and beneficiaries. IPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to IPERS, P.O. Box 9117, Des Moines, Iowa 50306-9117.

Plan members are required to contribute 4.30% of their annual salary and the Association is required to contribute 6.65% of annual covered payroll to the plan. Contribution requirements are established by State statute. The Association's contribution to IPERS for the year ended June 30, 2010 of \$163,570 is equal to the required contribution for the year. The Association's contributions for the years ended June 30, 2009 and 2008 were \$136,887 and \$134,914, respectively, equal to the required contributions for those years.

**NOTE F - COMPENSATED ABSENCES**

Association employees accumulate vacation hours for subsequent use or for payment upon termination, retirement or death. Sick leave hours accumulate for subsequent use and are not recognized as expenditures by the Association until used. The Association's approximate liability for unrecognized accrued employee benefits at June 30, 2010 is as follows:

Sick leave	<u><u>\$ 494,435</u></u>
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Sick leave is accumulated at a rate of one day per month to a maximum accumulation of 100 days. Use of sick leave is available only to employees of record. There is no payoff of unused accumulated sick leave upon termination.



East Central Intergovernmental Association  
Dubuque, Iowa  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
June 30, 2010

**NOTE G - OPERATING LEASE COMMITMENTS**

The Association has signed a lease to rent office space in Dubuque from December 1, 2008 to November 30, 2013. The lease requires monthly payments of \$2,053.33.

Future minimum lease payments are as follows:

June 30, 2011	\$	24,640
2012		24,640
2013		24,640
2014		10,267
	\$	<u>84,187</u>

**NOTE H - FIXED ASSETS**

A summary of changes in property and equipment comprising general fixed assets is as follows:

	Balance at July 1, 2009	Additions	Deletions	Balance at June 30, 2010
Land	\$ 214,432	\$ -	\$ -	\$ 214,432
Land improvements	6,831	4,290	-	11,121
Building	1,049,080	3,195	-	1,052,275
Equipment and furniture	<u>225,530</u>	<u>73,156</u>	<u>57,224</u>	<u>241,462</u>
Subtotal	1,495,873	80,641	57,224	1,519,290
Accumulated depreciation				
Land improvements	1,195	1,974	-	3,169
Building	25,134	26,248	-	51,382
Equipment and furniture	<u>155,226</u>	<u>45,722</u>	<u>52,314</u>	<u>148,634</u>
Accumulated depreciation	<u>181,555</u>	<u>73,944</u>	<u>52,314</u>	<u>203,185</u>
Total	<u>\$ 1,314,318</u>	<u>\$ 6,697</u>	<u>\$ 4,910</u>	<u>\$ 1,316,105</u>

East Central Intergovernmental Association  
Dubuque, Iowa

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

June 30, 2010

**NOTE I - GENERAL LONG-TERM DEBT**

Long-term debt transactions for the year ended June 30, 2010 are as follows:

	Balance at July 1, 2009	Additions	Deletions	Balance at June 30, 2010
Notes payable	<u>\$ 1,387,448</u>	<u>\$ 41,707</u>	<u>\$ 49,611</u>	<u>\$ 1,379,544</u>

Long-term debt at June 30, 2010 is comprised of the following:

<u>Description</u>	<u>Balance at June 30, 2010</u>	<u>Due Within One Year</u>
\$19,034 commercial loan from East Dubuque Savings Bank dated September 25, 2008 and due in monthly installments of \$573, including interest at 5.24% per annum until September 25, 2011.	\$ 8,306	\$ 6,595
\$20,836 commercial loan from East Dubuque Savings Bank dated July 17, 2010 and due in monthly installments of \$627, including interest at 5.24% per annum until July 17, 2012.	14,849	6,909
\$20,871 commercial loan from Nissan Motors Acceptance Corp. May 21, 2010 and due in monthly installments of \$580, including interest at 0.00% per annum until June 5, 2013.	20,871	6,957
\$1,392,281 Economic Development Revenue Note, Series 2007 dated October 5, 2007 and due in monthly installments of \$8,565, including interest at 5.20% per annum until October 1, 2032.	<u>1,335,518</u>	<u>34,035</u>
Total	<u>\$ 1,379,544</u>	<u>\$ 54,496</u>

East Central Intergovernmental Association  
Dubuque, Iowa  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
June 30, 2010

**NOTE I - GENERAL LONG-TERM DEBT - CONTINUED**

The annual requirements needed to amortize the long-term debt of the Association as of June 30, 2010, are as follows:

Year ended				
June 30,	Principal	Interest	Total	
2011	\$ 54,496	\$ 69,641	\$ 124,137	
2012	51,800	67,180	118,980	
2013	45,370	65,023	110,393	
2014	39,768	63,012	102,780	
2015	41,886	60,894	102,780	
2016-2020	245,364	268,536	513,900	
2021-2025	318,041	195,859	513,900	
2026-2030	412,245	101,655	513,900	
2031-2032	170,574	8,385	178,959	
	<u>\$ 1,379,544</u>	<u>\$ 900,185</u>	<u>\$ 2,279,729</u>	

**NOTE J - POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS**

The Association provides various early retirement benefits to eligible staff. The benefit is determined based on position, longevity and union membership (if applicable). Employees who retire at age 55 or older with 10 years of service and already participating in the health insurance plan at retirement, may remain on the Association's health insurance until the employee is eligible for Medicare. Retirees pay the full cost of the insurance premium with no surviving spouse provisions. Expenditures for these benefits are recognized on a pay-as-you-go basis in the fund statements and on the full accrual basis using the valuation methods required in Governmental Accounting Standards Board (GASB) Statement No. 45 in the Statement of Activities. There were no retirees receiving benefits and six employees were eligible to receive benefits in the fiscal year ended June 30, 2010.

*Actuarial methods and assumptions.* The actuarial assumptions used are as prescribed in GASB 45 under the Alternate Measurement Method. Projections of benefits for financial reporting purposes are based on the plan as understood by the employer and plan members and used to determine the Other Post-Employment Benefits (OPEB) liability of the Association include using Projected Unit Credit with linear proration to decrement method, a 4% discount rate based on the plan being on a pay-as-you-go method, and an initial healthcare trend rate of 10.0% in 2010 with a one-half percent per

East Central Intergovernmental Association  
Dubuque, Iowa  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
June 30, 2010

**NOTE J - POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS - CONTINUED**

year decrease annually until leveling off in 2020 and later at 5%. The UAAL is being amortized over 30 years using a level percent of pay based on an open group. Demographic assumptions are based on industry assumptions with some consideration given to differences exhibited by the employees of the Association.

The discount rate was chosen assuming that the plan will be funded on a pay-as-you-go basis. If the Association chooses to fund the plan into an irrevocable trust, the discount rate must be adjusted accordingly to reflect the rate of return on the assets which will be used to pay the benefits.

*Funding Policy.* The plan is being funded on a pay-as-you-go basis.

*Annual Pension Cost and Net Pension Obligation.* The Association's annual pension cost and net pension obligation for the current year is:

Component	Amount
Annual required contribution	\$ 29,776
Interest on net pension obligation	0
Annual pension cost (expense)	29,776
Pension payments made	0
Increase in net pension obligation	29,776
Net pension obligation - beginning of year	0
Net pension obligation - end of year	<u>\$ 29,776</u>

*Funded Status and Funding Progress.* The Association implemented GASB Statement No. 45 for the first time for the fiscal year ending June 30, 2010. See page 29 for information on funding status and progress.

Fiscal Year Ended	Annual Pension Cost	Percentage of Annual Pension Cost Contributed	Net Pension Obligation
6/30/2010	\$ 29,776	0.00%	\$ 29,776

GASB Statement No. 45 required that the Association implement this new standard for the fiscal year 2010, which began July 1, 2009. The Association chose to implement this standard prospectively, meaning that the liability started at zero on July 1, 2009, but the liability will grow every year that the Association does not make contributions equal to the annual OPEB cost.

East Central Intergovernmental Association  
Dubuque, Iowa  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
June 30, 2010

**NOTE K - EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS**

The following expenditures had an excess of actual expenditures over budget for the year ended June 30, 2010:

General Fund

Office supplies	\$ 3,687
Operating materials	584
Conferences and training	932
Business travel	20,670
Printing	2,252
Office maintenance	16,707
Professional fees	1,620
Equipment purchases	3,354
Long-term debt principal	612

Workforce Investment Act

Program costs	121,587
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**NOTE L - RISK MANAGEMENT**

The Association is exposed to various risks of loss related to torts; theft; damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by the purchase of commercial insurance. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**NOTE M - SUBSEQUENT EVENTS**

The Association has entered into a contract for fiscal year 2011 with the City of Dubuque to manage its Keyline transit system. The amount of the contract is approximately \$290,000.

**SUPPLEMENTAL INFORMATION**

East Central Intergovernmental Association

Dubuque, Iowa

**REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF FUNDING PROGRESS FOR**

**POST-EMPLOYMENT BENEFIT PLANS**

Year ended June 30, 2010

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Covered Payroll ( c )	UAAL as a Percentage of Covered Payroll ( (b-a) /c )
<u>Other Post-employment Benefits</u>						
6/30/2010	\$ -	\$ 201,540	\$ 201,540	0.00%	\$ 2,317,451	8.70%

East Central Intergovernmental Association  
Dubuque, Iowa  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL - GENERAL FUND**  
For the Year Ended June 30, 2010

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Amended	Actual	
<b>Revenues</b>				
Federal	\$ 2,672,487	\$ 3,179,689	\$ 2,162,902	\$ (1,016,787)
State of Iowa	9,000	8,470	868,220	859,750
State of Wisconsin	787	787	788	1
Membership fees	94,166	94,166	94,166	-
Fees and assessments	220,729	243,223	360,971	117,748
Economic Development Set-Aside and CDBG grant administration	595,347	634,843	362,403	(272,440)
Agency service billings				
ECIA Business Growth	227,799	250,582	250,133	(449)
Eastern Iowa Regional Housing Authority (EIRHA)/ Eastern Iowa Regional Housing Corporation (EIRHC)	1,280,160	1,242,288	1,220,777	(21,511)
Workforce Investment Act	573,285	558,346	584,042	25,696
Regional Transit Authority	337,028	416,305	412,422	(3,883)
EIRUSS	-	-	57,318	57,318
Interest	2,500	3,130	2,887	(243)
Miscellaneous	-	74,160	95,591	21,431
<b>Total revenues</b>	<b>6,013,288</b>	<b>6,705,989</b>	<b>6,472,620</b>	<b>(233,369)</b>
<b>Expenditures</b>				
Salaries, wages and fringe benefits	3,272,267	3,445,000	3,433,561	11,439
Office supplies	50,000	63,600	67,287	(3,687)
Operating materials	-	-	584	(584)
Conferences and training	42,000	36,000	36,932	(932)
Business travel	115,800	142,350	163,020	(20,670)
Printing	16,000	13,100	15,352	(2,252)
Equipment rental and maintenance	11,000	11,000	10,398	602
Office maintenance	10,000	12,000	16,707	(4,707)
Insurance and bonding	36,000	22,000	21,440	560
Dues and subscriptions	20,000	17,000	16,146	854
Telephone	34,000	32,000	31,929	71
Postage	47,000	43,000	41,824	1,176
Rent	40,000	31,000	30,339	661
Utilities	27,000	20,000	20,816	(816)
Advertising	7,000	7,000	5,900	1,100
Professional fees	62,120	74,000	75,620	(1,620)
Marketing	35,000	59,000	51,300	7,700
Equipment purchases	37,600	77,286	80,641	(3,355)
Long-term debt principal	48,615	49,000	49,611	(611)
Interest expense	71,000	76,000	75,958	42
Pass-through grant expense	2,000,000	2,500,000	2,170,458	329,542
Miscellaneous	10,000	5,000	3,616	1,384
<b>Total expenditures</b>	<b>5,992,402</b>	<b>6,735,336</b>	<b>6,419,439</b>	<b>315,897</b>
<b>Excess of revenues over expenditures</b>	<b>20,886</b>	<b>(29,347)</b>	<b>53,181</b>	<b>82,528</b>

Continued on next page.



East Central Intergovernmental Association  
Dubuque, Iowa  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL - GENERAL FUND - CONTINUED**  
For the Year ended June 30, 2010

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Amended	Actual	
<b>Other income</b>				
Proceeds from sale of fixed assets	\$ -	\$ 4,527	\$ 4,527	\$ -
Proceeds of long-term borrowing	20,000	45,836	41,707	(4,129)
	<u>20,000</u>	<u>50,363</u>	<u>46,234</u>	<u>(4,129)</u>
Excess of revenues and other income over (under) expenditures	40,886	21,016	99,415	78,399
Fund balance at beginning of year	<u>274,650</u>	<u>274,650</u>	<u>274,650</u>	<u>-</u>
Fund balance at end of year	<u>\$ 315,536</u>	<u>\$ 295,666</u>	<u>\$ 374,065</u>	<u>\$ 78,399</u>

East Central Intergovernmental Association  
Dubuque, Iowa  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BY PROGRAM - GENERAL FUND**  
For the Year Ended June 30, 2010

		30	40	45	50	55	65	67	75	80
		FHWA and	General	ECIA	Economic		Tax Credit	IFA		Regional
		Section 8	Technical	Business	Development		Housing	Tax Credit	Promise	Transit
	Totals	Transportation	Assistance	Growth	Grant	EIRHA	Programs	Compliance	Jobs	RPA/STP
<b>REVENUES</b>										
Federal	\$ 2,162,902	\$ 147,755	\$ -	\$ -	\$ 71,629	\$ -	\$ -	\$ -	\$ 261,354	\$ 145,304
State of Iowa	868,220	-	-	-	76,612	-	-	-	-	-
State of Wisconsin	788	788	-	-	-	-	-	-	-	-
Membership fees	94,166	17,226	11,624	-	979	-	-	-	-	16,507
Fees and assessments	360,971	34,031	72,474	147	45,474	-	15,423	19,079	-	1,375
Economic Development Set-Aside and CDBG grant administration	362,403	-	-	-	-	-	-	-	-	-
Agency service billings										
ECIA Business Growth	250,133	-	-	246,398	-	-	-	-	-	-
EIRHA/EIRHC	1,220,777	-	-	-	-	1,220,777	-	-	-	-
WIA and related programs	584,042	-	-	-	-	-	-	-	-	-
Regional Transit Authority	412,422	-	-	-	-	-	-	-	-	-
EIRUSS	57,318	-	-	-	-	-	-	-	-	-
Interest	2,887	-	-	-	-	-	-	-	-	-
Miscellaneous	95,591	-	-	-	-	-	-	-	-	-
Proceeds from sale of fixed assets	4,527	-	-	-	-	-	-	-	-	-
Proceeds from long-term borrowing	41,707	-	-	-	-	-	-	-	-	-
Total revenues	6,518,854	199,800	84,098	246,545	194,694	1,220,777	15,423	19,079	261,354	163,186
<b>EXPENDITURES</b>										
Salaries, wages and fringe benefits	3,433,561	158,626	67,561	203,851	120,376	1,072,499	14,854	11,687	216,613	128,752
Office supplies	67,287	4,552	1,458	4,575	2,142	17,346	11	122	4,511	4,070
Operating materials	584	-	-	-	-	-	-	-	292	-
Conferences and training	36,932	4,318	3,349	3,057	897	4,995	62	76	2,329	1,521
Business travel	163,020	9,717	4,310	7,189	4,173	13,016	96	344	19,849	8,584
Printing	15,352	706	222	931	382	3,513	48	25	1,020	614
Equipment rental and maintenance	10,398	714	293	899	455	3,162	-	80	155	525
Office maintenance	16,707	817	462	1,466	866	5,228	-	18	27	1,346
Insurance and bonding	21,440	907	382	1,149	687	6,082	85	69	1,295	721
Dues and subscriptions	16,146	661	269	2,667	1,632	3,308	42	92	1,239	523
Telephone	31,929	2,241	217	2,589	1,047	10,364	-	17	1,277	1,762
Postage	41,824	814	548	1,557	651	24,636	153	8	1,534	537
Rent	30,339	-	-	-	-	-	-	-	9,900	-
Utilities	20,816	1,436	613	1,814	1,024	6,306	-	119	88	1,106
Advertising	5,900	614	17	329	32	639	4	-	65	866
Professional fees	75,620	3,769	887	2,731	2,709	12,586	68	5,208	986	3,853
Marketing	51,300	-	-	-	51,300	-	-	-	-	-
Depreciation	73,944	2,823	529	2,752	960	5,639	-	121	26	2,788
Equipment purchases	80,641	-	-	-	-	-	-	-	-	-
Long-term debt principal	49,611	2,196	933	2,799	1,653	9,784	-	159	46	1,751
Interest expense	75,958	4,889	2,048	6,190	3,708	21,674	-	372	102	3,867
Pass thru grant expense	2,170,458	-	-	-	-	-	-	-	-	-
Loss on disposal of fixed assets	383	-	-	-	-	-	-	-	-	-
Miscellaneous	3,616	-	-	-	-	-	-	-	-	-
Total expenditures	6,493,766	199,800	84,098	246,545	194,694	1,220,777	15,423	18,517	261,354	163,186
Excess of revenues over (under) expenditures	\$ 25,088	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 562	\$ -	\$ -

East Central Intergovernmental Association  
Dubuque, Iowa  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BY PROGRAM - GENERAL FUND - CONTINUED**  
For the Year Ended June 30, 2010

	84	85	86	87	88	89	90	100	105	106
	Dyersville New Production	CDBG Admini- stration	Jumpstart Flood Relief	EDA Flood Grant	Cedar County FEMA PA	FEMA Buyouts	General	WIA	WIA Stimulus	WIA TANF Youth
<b>REVENUES</b>										
Federal	\$ 940,969	\$ -	\$ -	\$ 37,706	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Iowa	-	-	791,608	-	-	-	-	-	-	-
State of Wisconsin	-	-	-	-	-	-	-	-	-	-
Membership fees	-	-	-	-	-	-	47,830	-	-	-
Fees and assessments	-	-	-	-	17,323	104,616	-	-	-	-
Economic Development Set-Aside and CDBG grant administration	-	362,123	-	-	-	-	-	-	-	-
Agency service billings										
ECIA Business Growth	-	-	-	-	-	-	-	-	-	-
EIRHA/EIRHC	-	-	-	-	-	-	-	-	-	-
Workforce Investment Act	-	-	-	-	-	-	-	285,742	128,039	3,298
Regional Transit Authority	-	-	-	-	-	-	-	-	-	-
EIRUSS	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	2,887	-	-	-
Miscellaneous	-	-	-	-	-	-	95,591	-	-	-
Proceeds from sale of fixed assets	-	-	-	-	-	-	4,527	-	-	-
Proceeds from long-term debt	-	-	-	-	-	-	41,707	-	-	-
Total revenues	940,969	362,123	791,608	37,706	17,323	104,616	192,542	285,742	128,039	3,298
<b>EXPENDITURES</b>										
Salaries, wages and fringe benefits	27,799	278,254	9,866	30,509	13,373	91,255	-	224,388	112,982	2,965
Office supplies	575	10,434	13	736	207	1,621	-	2,300	339	10
Operating materials	-	-	-	-	-	-	-	292	-	-
Conferences and training	99	6,290	5	688	84	430	-	2,032	925	24
Business travel	1,885	25,690	2,900	904	2,105	1,793	15,691	14,864	6,166	110
Printing	82	893	3	112	37	288	-	3,394	291	18
Equipment rental and maintenance	131	1,242	6	206	45	350	-	170	-	-
Office maintenance	215	1,959	6	252	25	666	-	48	-	-
Insurance and bonding	158	1,586	5	226	88	503	-	2,047	1,260	16
Dues and subscriptions	65	1,721	6	162	43	194	-	1,202	472	-
Telephone	35	4,436	215	734	145	270	-	692	183	15
Postage	147	4,209	268	114	43	362	-	3,401	-	-
Rent	-	-	-	-	-	-	-	9,254	4,494	133
Utilities	263	2,511	7	346	131	810	-	156	29	-
Advertising	68	230	-	5	1	269	-	311	21	-
Professional fees	388	7,112	13	585	195	1,194	-	20,801	877	7
Marketing	-	-	-	-	-	-	-	-	-	-
Depreciation	222	3,126	7	339	121	689	50,021	61	-	-
Equipment purchases	-	-	-	-	-	-	80,641	-	-	-
Long-term debt principal	388	3,847	12	546	210	1,231	17,664	103	-	-
Interest expense	835	8,583	28	1,242	470	2,691	-	226	-	-
Pass thru grant expense	907,614	-	778,248	-	-	-	-	-	-	-
Loss on sale of fixed assets	-	-	-	-	-	-	383	-	-	-
Miscellaneous	-	-	-	-	-	-	3,616	-	-	-
Total expenditures	940,969	362,123	791,608	37,706	17,323	104,616	168,016	285,742	128,039	3,298
Excess of revenues over (under) expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,526	\$ -	\$ -	\$ -

East Central Intergovernmental Association  
Dubuque, Iowa  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BY PROGRAM - GENERAL FUND - CONTINUED**  
For the Year Ended June 30, 2010

	114	115	116	117	118	119	140
	Rockwell Collins SEG	Tri-State Youth Offender	EJP	Eagle/ Deere SEG	Deere/Exide/ Henderson	Thermo Fischer	Green Jobs
<b>REVENUES</b>							
Federal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Iowa	-	-	-	-	-	-	-
State of Wisconsin	-	-	-	-	-	-	-
Membership fees	-	-	-	-	-	-	-
Fees and assessments	-	-	-	-	-	-	-
Economic Development Set-Aside and CDBG grant administration	-	-	-	-	-	-	-
Agency service billings							
ECIA Business Growth	-	-	-	-	-	-	3,735
EIRHA/EIRHC	-	-	-	-	-	-	-
Workforce Investment Act	15,926	29,507	36,076	18,283	32,861	34,310	-
Regional Transit Authority	-	-	-	-	-	-	-
EIRUSS	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Proceeds from sale of fixed assets	-	-	-	-	-	-	-
Proceeds from long-term debt	-	-	-	-	-	-	-
Total revenues	15,926	29,507	36,076	18,283	32,861	34,310	3,735
<b>EXPENDITURES</b>							
Salaries, wages and fringe benefits	13,955	25,789	30,778	16,554	28,679	28,882	2,683
Office supplies	32	205	69	1	55	1,183	61
Operating materials	-	-	-	-	-	-	-
Conferences and training	50	123	259	107	228	293	636
Business travel	573	1,780	1,838	424	1,168	1,107	31
Printing	41	84	98	45	85	133	10
Equipment rental and maintenance	6	-	-	-	6	-	11
Office maintenance	10	-	-	-	10	-	22
Insurance and bonding	146	151	206	276	357	166	15
Dues and subscriptions	38	58	93	57	93	9	2
Telephone	169	72	145	32	167	38	3
Postage	7	-	1	-	7	-	70
Rent	736	1,138	1,557	699	1,320	1,108	-
Utilities	18	7	7	5	16	-	27
Advertising	4	10	9	2	8	14	-
Professional fees	75	90	1,016	81	591	1,377	31
Marketing	-	-	-	-	-	-	-
Depreciation	10	-	-	-	11	-	19
Equipment purchases	-	-	-	-	-	-	-
Long-term debt principal	17	-	-	-	18	-	38
Interest expense	39	-	-	-	42	-	76
Pass thru grant expense	-	-	-	-	-	-	-
Loss on sale of fixed assets	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Total expenditures	15,926	29,507	36,076	18,283	32,861	34,310	3,735
Excess of revenues over (under) expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Continued from previous page.

East Central Intergovernmental Association  
Dubuque, Iowa  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BY PROGRAM - GENERAL FUND - CONTINUED**  
For the Year Ended June 30, 2010

	185	200	300	400	500	505
	Jumpstart Federal Projects	Economic Development Set-Aside	Eastern Iowa Utility Service Systems	Regional Transit Authority	IWD Regional Coordinator	NICC Regional Coordinator
<b>REVENUES</b>						
Federal	\$ 558,185	\$ -	\$ -	\$ -	\$ -	\$ -
State of Iowa	-	-	-	-	-	-
State of Wisconsin	-	-	-	-	-	-
Membership fees	-	-	-	-	-	-
Fees and assessments	-	-	-	-	27,481	23,548
Economic Development Set-Aside and CDBG grant administration	-	280	-	-	-	-
Agency service billings						
ECIA Business Growth	-	-	-	-	-	-
EIRHA/EIRHC	-	-	-	-	-	-
Workforce Investment Act	-	-	-	-	-	-
Regional Transit Authority	-	-	-	412,422	-	-
EIRUSS	-	-	57,318	-	-	-
Interest	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Proceeds from sale of fixed assets	-	-	-	-	-	-
Proceeds from long-term debt	-	-	-	-	-	-
Total revenues	558,185	280	57,318	412,422	27,481	23,548
<b>EXPENDITURES</b>						
Salaries, wages and fringe benefits	57,703	249	45,598	350,186	25,064	21,231
Office supplies	1,056	2	867	8,495	119	120
Operating materials	-	-	-	-	-	-
Conferences and training	388	2	194	1,680	898	893
Business travel	2,227	2	3,458	9,439	845	742
Printing	238	-	143	1,712	91	93
Equipment rental and maintenance	217	1	213	1,511	-	-
Office maintenance	410	1	345	2,508	-	-
Insurance and bonding	323	(1)	265	1,980	144	146
Dues and subscriptions	134	1	128	1,099	68	68
Telephone	180	2	1,365	3,269	124	124
Postage	687	1	173	1,896	-	-
Rent	-	-	-	-	-	-
Utilities	464	2	400	3,111	-	-
Advertising	668	-	724	971	9	10
Professional fees	791	4	1,075	6,280	119	121
Marketing	-	-	-	-	-	-
Depreciation	488	3	375	2,814	-	-
Equipment purchases	-	-	-	-	-	-
Long-term debt principal	779	3	620	4,814	-	-
Interest expense	6,836	8	1,375	10,657	-	-
Pass thru grant expense	484,596	-	-	-	-	-
Loss on sale of fixed assets	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total expenditures	558,185	280	57,318	412,422	27,481	23,548
Excess of revenues over (under) expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Continued from previous page.

East Central Intergovernmental Association  
Dubuque, Iowa  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**AND COMPUTATION OF PROJECT GRANTS EARNED - GENERAL FUND**  
For the Year Ended June 30, 2010

	30 FHWA and FTA Section 8 Transportation 10MPO-ECIA	80 Regional Transit RPA 10RPA-08
<b>REVENUES</b>		
Federal - Planning	\$ 133,139	\$ 96,527
Federal - Safe Routes to School	14,616	48,777
State of Wisconsin	788	-
Membership fees	17,226	16,507
Fees and assessments	34,031	1,375
Total revenues	199,800	163,186
<b>EXPENDITURES</b>		
Salaries, wages and fringe benefits	158,626	128,752
Office supplies	4,552	4,070
Conferences and training	4,318	1,521
Business travel	9,717	8,584
Printing	706	614
Equipment rental and maintenance	714	525
Office maintenance	817	1,346
Insurance and bonding	907	721
Dues and subscriptions	661	523
Telephone	2,241	1,762
Postage	814	537
Rent	-	-
Utilities	1,436	1,106
Advertising	614	866
Professional fees	3,769	3,853
Depreciation	2,823	2,788
Long-term debt principal	2,196	1,751
Interest expense	4,889	3,867
Total expenditures	199,800	163,186
Federal or state participation percentage	80%	80%
Computed project grant earned	\$ 159,839	\$ 130,548
Pursuant to contracts, the grants may not exceed the lesser of the eligible cost incurred multiplied by the percentage of participation or:	\$ 133,139	\$ 96,527
Therefore, the grants earned equal:	\$ 133,139	\$ 96,527

East Central Intergovernmental Association  
Dubuque, Iowa  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**AND COMPUTATION OF PROJECT GRANTS EARNED - GENERAL FUND - CONTINUED**  
For the Year Ended June 30, 2010

50							
United States Department of Commerce Economic Development Planning Grant							
	05-83-04375-02			05-83-04962		PEI Buyer- Supplier Grant	Total Economic Development
	Prior Audit 1/1-6/30/09	Current Year 7/1-12/31/09	Total 1/1-12/31/09	Current Year 1/1-6/30/10	Total Fiscal Year		
<b>REVENUES</b>							
Federal - EDA	\$ 27,792	\$ 38,048	\$ 65,840	\$ 33,581	\$ 71,629	\$ -	\$ 71,629
State of Iowa - Planning	4,412	8,471	12,883	-	8,471	-	8,471
State of Iowa - Other	-	12,500	12,500	15,641	28,141	40,000	68,141
Membership fees	34,244	-	34,244	979	979	-	979
Fees and assessments	5,590	5,392	10,982	37,082	42,474	3,000	45,474
Total revenues	72,038	64,411	136,449	87,283	151,694	43,000	194,694
<b>EXPENDITURES</b>							
Salaries, wages and fringe benefits	44,307	67,298	111,605	43,712	111,010	9,366	120,376
Office supplies	675	1,243	1,918	899	2,142	-	2,142
Conferences and training	487	603	1,090	294	897	-	897
Business travel	1,952	1,876	3,828	2,297	4,173	-	4,173
Printing	315	163	478	219	382	-	382
Equipment rental and maintenance	205	252	457	203	455	-	455
Office maintenance	85	104	189	762	866	-	866
Insurance and bonding	384	393	777	294	687	-	687
Dues and subscriptions	684	1,304	1,988	328	1,632	-	1,632
Telephone	838	627	1,465	420	1,047	-	1,047
Postage	397	344	741	307	651	-	651
Property taxes	791	-	791	-	-	-	-
Utilities	700	545	1,245	479	1,024	-	1,024
Advertising	53	12	65	20	32	-	32
Professional fees	1,268	929	2,197	1,780	2,709	-	2,709
Marketing	-	-	-	17,666	17,666	33,634	51,300
Depreciation	828	572	1,400	388	960	-	960
Long-term debt principal	657	914	1,571	739	1,653	-	1,653
Interest expense	2,459	2,185	4,644	1,523	3,708	-	3,708
Total expenditures	57,085	79,364	136,449	72,330	151,694	43,000	194,694
Add qualifying matching expenses	-	-	-	-	-	24,034	
Add in-kind matching expenses	-	-	-	-	-	3,000	
Expense basis for computation of federal and/or state participation in project cost	57,085	79,364	136,449	72,330	151,694	70,034	
Federal or state participation percentage	50%	50%	50%	50%	50%	100%	
Computed project grant earned	\$ 28,543	\$ 39,682	\$ 68,225	\$ 36,165	\$ 75,846	\$ 70,034	
Pursuant to contracts, the grants may not exceed the lesser of the eligible cost incurred multiplied by the percentage of participation or:	\$ 27,792	\$ 38,048	\$ 65,840	\$ 33,581	\$ 71,629	\$ 40,000	
Therefore, the grants earned equal:	\$ 27,792	\$ 38,048	\$ 65,840	\$ 33,581	\$ 71,629	\$ 40,000	

East Central Intergovernmental Association  
Dubuque, Iowa  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL - WORKFORCE INVESTMENT ACT (WIA)**  
For the Year Ended June 30, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Amended</u>	<u>Actual</u>	
<b>Revenues</b>				
Workforce Investment Act (WIA) grants	\$ 700,000	\$ 1,470,000	\$ 1,591,587	\$ 121,587
Total revenues	700,000	1,470,000	1,591,587	121,587
<b>Expenditures</b>				
Administrative expenses	110,784	110,784	110,784	-
Program costs	589,216	1,359,216	1,480,803	(121,587)
Total expenditures	700,000	1,470,000	1,591,587	(121,587)
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	\$ -	\$ -	\$ -	\$ -



East Central Intergovernmental Association  
Dubuque, Iowa  
**BALANCE SHEET - BY CONTRACT -**  
**WORKFORCE INVESTMENT ACT (WIA)**  
June 30, 2010

Pass-through Entity:	Upper Explorerland Regional Planning Commission
Contract Number:	East Central Intergovernmental Association and Upper Explorerland Regional Planning Commission Joint Agreement
Contract Period:	July 1, 2009 through June 30, 2010

Program:	Admini- stration	Stimulus Adult	Stimulus Dislocated Worker	Stimulus Admini- stration	Stimulus Youth in School	Stimulus Youth Out of School	Stimulus RFP Youth in School	Stimulus RFP Youth out of school	Stimulus RFP Adult	Stimulus State Set Aside
<b>Assets</b>										
Cash	\$ 6,589	\$ -	\$ -	\$ 2,829	\$ 661	\$ 4,973	\$ 1,678	\$ 1,088	\$ 7,368	\$ 8,208
Grants receivable										5,000
Due from other funds	-	-	-	-	-	-	-	-	-	-
	<u>\$ 6,589</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,829</u>	<u>\$ 661</u>	<u>\$ 4,973</u>	<u>\$ 1,678</u>	<u>\$ 1,088</u>	<u>\$ 7,368</u>	<u>\$ 13,208</u>
<b>Liabilities and Fund Balance</b>										
Accounts payable	\$ 761	\$ -	\$ -	\$ -	\$ -	\$ 1,341	\$ -	\$ -	\$ -	\$ 5,970
Due to other funds	5,828	-	-	2,829	661	1,755	544	1,080	7,368	7,238
Accrued liabilities										
Salaries and wages	-	-	-	-	-	1,744	1,042	-	-	-
Other	-	-	-	-	-	133	92	8	-	-
Excess of outstanding checks over bank balance	-	-	-	-	-	-	-	-	-	-
Total liabilities	6,589	-	-	2,829	661	4,973	1,678	1,088	7,368	13,208
Fund balance	-	-	-	-	-	-	-	-	-	-
	<u>\$ 6,589</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,829</u>	<u>\$ 661</u>	<u>\$ 4,973</u>	<u>\$ 1,678</u>	<u>\$ 1,088</u>	<u>\$ 7,368</u>	<u>\$ 13,208</u>

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East Central Intergovernmental Association  
Dubuque, Iowa  
**BALANCE SHEET - BY CONTRACT -**  
**WORKFORCE INVESTMENT ACT (WIA) - CONTINUED**  
June 30, 2010

Pass-through Entity:	Upper Explorerland Regional Planning Commission	<u>Workforce Connections</u>	<u>ECIA Business Growth, Inc.</u>
Contract Number:	East Central Intergovernmental Association and Upper Explorerland Regional Planning Commission Joint Agreement		
Contract Period:	July 1, 2009 through June 30, 2010		

Program:	Adult Formula	Youth in School Formula	Youth Out of School Formula	Dislocated Worker Formula	Adult DLW Incentive	State Set- Aside	Youth Offender Expansion	Green Jobs
<b>Assets</b>								
Cash	\$ 390	\$ 12,620	\$ 17,503	\$ -	\$ 9,000	\$ 121	\$ 20,757	\$ -
Grants receivable	-	-	-	15,300	-	658	36,634	-
Due from other funds	-	-	-	-	-	-	-	-
	<u>\$ 390</u>	<u>\$ 12,620</u>	<u>\$ 17,503</u>	<u>\$ 15,300</u>	<u>\$ 9,000</u>	<u>\$ 779</u>	<u>\$ 57,391</u>	<u>\$ -</u>
<b>Liabilities and Fund Balance</b>								
Accounts payable	\$ -	\$ -	\$ 2,696	\$ -	\$ 9,000	\$ 700	\$ -	\$ -
Due to other funds	390	12,620	14,807	3,947	-	79	19,857	-
Accrued liabilities								
Salaries and wages	-	-	-	-	-	-	814	-
Other	-	-	-	-	-	-	86	-
Excess of outstanding checks over bank balance	-	-	-	11,353	-	-	36,634	-
Total liabilities	390	12,620	17,503	15,300	9,000	779	57,391	-
Fund balance	-	-	-	-	-	-	-	-
	<u>\$ 390</u>	<u>\$ 12,620</u>	<u>\$ 17,503</u>	<u>\$ 15,300</u>	<u>\$ 9,000</u>	<u>\$ 779</u>	<u>\$ 57,391</u>	<u>\$ -</u>

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East Central Intergovernmental Association  
Dubuque, Iowa  
**BALANCE SHEET - BY CONTRACT -**  
**WORKFORCE INVESTMENT ACT (WIA) - CONTINUED**  
June 30, 2010

Pass-through Entity:	Iowa Workforce Development
Contract Number:	<div style="display: flex; justify-content: space-between; padding: 0 10px;"> <span>8-W-FR-P8-0-01</span> <span>9-W-PF-RR-0-03</span> <span>9-W-PF-RR-0-22</span> <span>10-W-PF-RR-0-03</span> <span>10-W-PF-RR-0-06</span> <span>10-W-PF-RR-0-05</span> <span>9-W-PF-RR-0-30</span> <span>ECIA-TANF</span> </div>
Contract Period:	July 1, 2009 through June 30, 2010

Program:	EPJ NEG	Eagle/ Deere SEG	Rockwell Collins SEG	Eagle Window & Door	Econo Foods EI	Thermo Fisher	Deere/Exide Henderson SEG	TANF	Total
<b>Assets</b>									
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,494	\$ 702	\$ -	\$ 103,981
Grants receivable	13,238	9,313	10,191	-	118	4,216	-	7,299	101,967
Due from other funds	-	-	-	-	-	-	-	-	-
	<u>\$ 13,238</u>	<u>\$ 9,313</u>	<u>\$ 10,191</u>	<u>\$ -</u>	<u>\$ 118</u>	<u>\$ 13,710</u>	<u>\$ 702</u>	<u>\$ 7,299</u>	<u>\$ 205,948</u>
<b>Liabilities and Fund Balance</b>									
Accounts payable	\$ -	\$ -	\$ 7,060	\$ -	\$ -	\$ -	\$ 60	\$ 4,000	\$ 31,588
Due to other funds	2,804	-	735	-	-	13,710	642	3,298	100,192
Accrued liabilities									
Salaries and wages	787								4,387
Other	174	-	-	-	-	-	-	-	493
Excess of outstanding checks over bank balance	9,473	9,313	2,396	-	118	-	-	1	69,288
Total liabilities	13,238	9,313	10,191	-	118	13,710	702	7,299	205,948
Fund balance	-	-	-	-	-	-	-	-	-
	<u>\$ 13,238</u>	<u>\$ 9,313</u>	<u>\$ 10,191</u>	<u>\$ -</u>	<u>\$ 118</u>	<u>\$ 13,710</u>	<u>\$ 702</u>	<u>\$ 7,299</u>	<u>\$ 205,948</u>

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East Central Intergovernmental Association  
Dubuque, Iowa  
**STATEMENT OF REVENUES AND EXPENDITURES -**  
**WORKFORCE INVESTMENT ACT (WIA)**  
For the year ended June 30, 2010

Pass-through Entity: Upper Explorerland Regional Planning Commission

Contract Number: East Central Intergovernmental Association and  
Upper Explorerland Regional Planning Commission Joint Agreement

Contract Period: July 1, 2009 through June 30, 2010

Program:	Admini- stration	Stimulus Adult	Stimulus Dislocated Worker	Stimulus Admini- stration	Stimulus Youth in School	Stimulus Youth Out of School	Stimulus RFP Youth in school	Stimulus RFP Youth out of school	Stimulus RFP Adult	Stimulus State Set Aside
<b>Revenues</b>										
Grants	\$ 48,383	\$ 41,742	\$ 86,694	\$ 33,006	\$ 46,080	\$ 60,878	\$ 6,071	\$ 22,173	\$ 34,594	\$ 64,042
<b>Expenditures</b>										
Administration	48,383	-	-	33,006	-	-	-	-	-	-
Training related and support services	-	2,880	16,651	-	2,720	693	1,450	5,766	7,478	8,678
Direct training services	-	38,862	70,043	-	43,360	60,185	4,621	16,407	27,116	55,364
Total expenditures	<u>48,383</u>	<u>41,742</u>	<u>86,694</u>	<u>33,006</u>	<u>46,080</u>	<u>60,878</u>	<u>6,071</u>	<u>22,173</u>	<u>34,594</u>	<u>64,042</u>
Excess of revenues over (under) expenditures	-	-	-	-	-	-	-	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

East Central Intergovernmental Association  
Dubuque, Iowa  
**STATEMENT OF REVENUES AND EXPENDITURES -**  
**WORKFORCE INVESTMENT ACT (WIA) - CONTINUED**  
For the year ended June 30, 2010

Pass-through Entity:	Upper Explorerland Regional Planning Commission	Workforce Connections	ECIA Business Growth, Inc.
Contract Number:	East Central Intergovernmental Association and Upper Explorerland Regional Planning Commission Joint Agreement		
Contract Period:	July 1, 2009 through June 30, 2010		

Program:	Adult Formula	Youth in School Formula	Youth Out of School Formula	Dislocated Worker Formula	Adult DLW Incentive	State Set- Aside	Youth Offender Expansion	Green Jobs
<b>Revenues</b>								
Grants	\$ 107,991	\$ 49,198	\$ 108,106	\$ 189,546	\$ 44,284	\$ 7,158	\$ 51,256	\$ 412
<b>Expenditures</b>								
Administration	-	-	-	-	-	-	-	-
Training related and support services	4,855	1,769	12,991	43,825	-	-	3,965	412
Direct training services	103,136	47,429	95,115	145,721	44,284	7,158	47,291	-
Total expenditures	107,991	49,198	108,106	189,546	44,284	7,158	51,256	412
Excess of revenues over (under) expenditures	-	-	-	-	-	-	-	-
Fund balance at beginning of year	-	-	-	-	-	-	-	-
Fund balance at end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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East Central Intergovernmental Association  
Dubuque, Iowa  
**STATEMENT OF REVENUES AND EXPENDITURES -**  
**WORKFORCE INVESTMENT ACT (WIA) - CONTINUED**  
For the year ended June 30, 2010

Pass-through Entity:

Iowa Workforce Development

Contract Number:

8-W-FR- P8-0-01	9-W-PF- RR-0-03	9-W-PF- RR-0-22	10-W-PF- RR-0-03	10-W-PF- RR-0-06	10-W-PF- RR-0-05	9-W-PF- RR-0-30	ECIA-TANF
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Contract Period:

July 1, 2009 through June 30, 2010

Program:	EPJ NEG	Eagle/Deere SEG	Rockwell Collins SEG	Eagle Window & Door	Econo Foods EI	Thermo Fisher	Deere/Exide Henderson SEG	TANF	Totals
<b>Revenues</b>									
Grants	\$ 142,238	\$ 128,598	\$ 131,691	\$ 641	\$ 1,118	\$ 55,216	\$ 127,173	\$ 3,298	\$ 1,591,587
<b>Expenditures</b>									
Administration	3,363	4,511	5,737	-	-	4,046	9,917	1,821	110,784
Training related and support services	25,984	17,825	11,708	-	-	1,199	12,034	-	182,883
Direct training services	<u>112,891</u>	<u>106,262</u>	<u>114,246</u>	<u>641</u>	<u>1,118</u>	<u>49,971</u>	<u>105,222</u>	<u>1,477</u>	<u>1,297,920</u>
Total expenditures	<u>142,238</u>	<u>128,598</u>	<u>131,691</u>	<u>641</u>	<u>1,118</u>	<u>55,216</u>	<u>127,173</u>	<u>3,298</u>	<u>1,591,587</u>
Excess of revenues over (under) expenditures	-	-	-	-	-	-	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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East Central Intergovernmental Association  
Dubuque, Iowa  
**SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE**  
For the year ended June 30, 2010

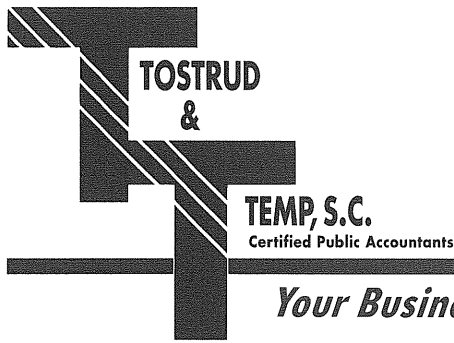
Grantor/Program	Federal CFDA Number	Agency or Pass-Through Grantor's Number	Accrual Basis Program Disbursements
<b>Direct</b>			
<b>United States Department of Commerce</b>			
EDA Planning Grant	11.302	05-83-04375-02 05-83-04962	\$ 38,048 33,581 <hr/> 71,629
Economic Adjustment Recovery Assistance	11.307	05-69-04681	<hr/> 37,706
Total United States Department of Commerce			109,335
<b>Indirect:</b>			
<b>United States Department of Labor</b>			
Passed through ECIA Business Growth, Inc. Green Jobs	17.275	ECIA Business Growth Contract	<hr/> 412
Total United States Department of Labor			412
<b>United States Department of Health and Human Services</b>			
Passed through Upper Explorerland Regional Planning Commission Promise Jobs Emergency Contingency Fund for Temporary Assistance for Needy Families (TANF)	93.558    93.714	UERPC/ECIA Contract   UERPC/ECIA Contract	261,354   <hr/> 3,298
Total United States Department of Health and Human Services			264,652
<b>United States Department of Labor</b>			
Passed through the Iowa Workforce Development (Major Program)			
Rapid Response	17.260	Iowa Workforce Dev	444,437
National Emergency Grant	17.260	Iowa Workforce Dev	142,238
Passed through Upper Explorerland Regional Planning Commission Workforce Investment Act Cluster (Major Programs)			
Administration	17.258	UERPC/ECIA Contract	81,389
Adult Formula	17.258	UERPC/ECIA Contract	184,327
Youth Offender Expansion	17.259	UERPC/ECIA Contract	51,256
Youth In School Formula	17.259	UERPC/ECIA Contract	101,349
Youth Out of School Formula	17.259	UERPC/ECIA Contract	191,157
Dislocated Worker Formula	17.260	UERPC/ECIA Contract	276,240
State Set Aside		UERPC/ECIA Contract	71,200 <hr/> 956,918
Workforce Investment Act (Major Program) Incentive	17.267	UERPC/ECIA Contract	<hr/> 44,284
Total United States Department of Labor			1,587,877

East Central Intergovernmental Association  
Dubuque, Iowa  
**SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE - CONTINUED**  
For the year ended June 30, 2010

Grantor/Program	Federal CFDA Number	Agency or Pass-Through Grantor's Number	Accrual Basis Program Disbursements
<b>United States Department of Housing and Urban Development</b>			
Passed through Rebuild Iowa Office			
Jumpstart Program	14.228	08-CRH-004	\$ 1,499,154
<b>United States Department of Transportation</b>			
Passed through Iowa Department of Transportation			
FHWA Planning - RPA	20.515	10-RPA-08	96,527
FHWA - Planning	20.205	10-MPO-ECIA	117,187
Safe Routes to School	20.205	07-SRTS-003	14,616
Safe Routes to School	20.205	08-SRTS-001	20,000
Safe Routes to School	20.205	08-SRTS-002	28,777
Passed through Illinois Depart- ment of Transportation			
IL Hwy Planning Research	20.205	IDOT Contract	8,143
Technical Studies	20.205	IDOT Contract	1,509
FHWA Planning	20.515	IDOT Contract	-
Passed through Wisconsin Depart- ment of Transportation			
FHWA Planning	20.515	WisDOT Contract	6,300
Total United States Department of Transportation			293,059
Total Indirect			3,645,154
<b>Total Federal Financial Assistance</b>			<b>\$ 3,754,489</b>

Note: This statement is prepared on the accrual basis of accounting.





609 S. 4th Street, Suite B  
La Crosse, WI 54601  
Phone: 608-784-8060  
Fax: 608-784-8167

*Your Business Safety Net*

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Council Members  
East Central Intergovernmental Association  
Dubuque, Iowa

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the East Central Intergovernmental Association ("the Association"), as of and for the year ended June 30, 2010, which collectively comprise the Association's basic financial statements and have issued our report thereon dated November 11, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Association's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Association's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

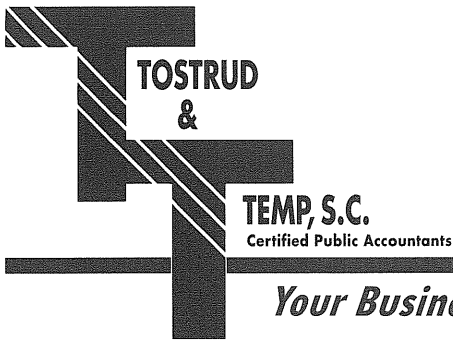
#### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Association's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of management, the board, others within the entity, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Foster and Kemp, S.C.*

November 11, 2010



609 S. 4th Street, Suite B  
La Crosse, WI 54601  
Phone: 608-784-8060  
Fax: 608-784-8167

**REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Council Members  
East Central Intergovernmental Association  
Dubuque, Iowa

**Compliance**

We have audited the compliance of the East Central Intergovernmental Association ("the Association"), with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2010. The Association's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Association's management. Our responsibility is to express an opinion on the Association's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Association's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Association's compliance with those requirements.

In our opinion, the Association, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2010.

#### **Internal Control Over Compliance**

Management of the Association, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Association's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Association's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the board, others within the entity, federal and state awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Foster + Thompson, S.C.*

November 11, 2010

East Central Intergovernmental Association  
Dubuque, Iowa  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
Year ended June 30, 2010

**Section I - Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Significant deficiency identified? ☐ yes ☒ no

Significant deficiency identified  
considered to be a material weakness? ☐ yes ☒ no

Noncompliance material to the financial statements? ☐ yes ☒ no

**Federal Awards**

Internal control over financial reporting:

Significant deficiency identified? ☐ yes ☒ no

Significant deficiency identified  
considered to be a material weakness? ☐ yes ☒ no

Type of auditor's report issued on compliance  
for major programs: Unqualified

Any audit findings disclosed that are required  
to be reported in accordance with Circular A-133  
Section .510(1)? ☐ yes ☒ no

**Identification of major federal program**

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
17.258, 17.259, 17.260	WIA Cluster

Dollar threshold used to distinguish  
between Type A and Type B programs \$300,000

Auditee qualified as a low-risk auditee? ☒ yes ☐ no

**Section II - Financial Statement Findings**

None

**Section III - Federal and State Award Findings and Questioned Costs**

None